

NAU COUNTRY INSURANCE COMPANY,)	AGBCA No. 2004-193-F
(Compliance Case MRCO 2557))	
)	
Appellant)	
)	
Representing the Appellant:)	
)	
Daryl E. Durum, Executive Vice President/)	
Chief Operating Officer)	
NAU Country Insurance Company)	
6701 Highway 10 NW)	
Ramsey, Minnesota 55303-4700)	
)	
Representing the Government:)	
)	
Maria Giatrakis, Esquire)	
Office of the General Counsel)	
U. S. Department of Agriculture)	
33 New Montgomery Street, 17th Floor)	
San Francisco, California 94105-4511)	

ORDER OF THE BOARD OF CONTRACT APPEALS

December 9, 2005

Opinion for the Board by Administrative Judge VERGILIO.

On August 13, 2004, the Board received a notice of appeal from NAU Country Insurance Company of Ramsey, Minnesota (the insurance company), disputing a decision by the Government, the U. S. Department of Agriculture, Risk Management Agency (RMA). The insurance company had entered into a Standard Reinsurance Agreement (SRA) with the Government applicable to the 2000 crop year. The SRA represents a cooperative financial assistance agreement to deliver multiple peril crop insurance under the authority of the Federal Crop Insurance Act, as amended, 7 U.S.C. §§ 1501 et seq. Under the terms and conditions of the SRA, the insurance company gets paid and reimbursed from the Government, which provides reinsurance for various crops insured pursuant to statute.

Underlying these matters is a compliance case involving the insurance policies of thirty-two insureds for zinfandel wine grapes in the 2000 crop year. The insurance company here disputes the results involving twenty-two insureds. The Government maintains that use of the proper figures for the production history of the insureds under the grape crop type 113 program for red zinfandel grapes

results in the calculations that the insurance company is liable for repayment of \$32,511 (because of premium overstatements) and \$140,465 (because of indemnity overpayments). The insurance company disputes these conclusions, as it maintains that it properly determined and applied the actual production history (APH) for each of the insureds, and correctly calculated the premiums and indemnities. The insurance company brings these cases pursuant to regulation, 7 CFR 400.169(b), (d).

Proceeding informally after submission of the appeal file, complaint, and answer, the parties resolved this dispute. Having entered into a settlement agreement, the insurance company requests that the case be dismissed with prejudice.

DECISION

Based upon the request, this matter is dismissed with prejudice.

JOSEPH A. VERGILIO

Administrative Judge

Issued at Washington, D.C.

December 9, 2005